

**Housing and Community Development Division
Utah Department of Workforce Services**



UINTAH BASIN REVITALIZATION FUND

**LEGISLATIVE REPORT
FISCAL YEAR 2012**

**Uintah Basin Revitalization Fund Board
140 East 300 South, #424
Salt Lake City, Utah 84111
(801) 526-9461**

UINTAH BASIN REVITALIZATION FUND

Overview

The Uintah Basin Revitalization Fund was created to maximize the long term benefit of oil and gas severance taxes derived from lands held in trust by the Federal Government for the Ute Tribe of the Uintah and Ouray Reservation. It was construed to promote cooperation and coordination between the state, its political subdivisions and the tribe.

Statutory Authority

The Uintah Basin Revitalization Fund (UBRF) is a program of the State of Utah authorized in Section 9-10-101, et seq. The goal of the UBRF is to provide grants and/or loans (primarily grants) to agencies of county and tribal government in the Uintah Basin, which are impacted by the development of oil and gas interests held in trust for the Ute Indian Tribe of the Uintah and Ouray Reservation and its members.

Board Membership

The UBRF is controlled by a five-member board (The Board) comprised of a governor's designee, a Duchesne County Commissioner, a Uintah County Commissioner and two representatives of the Ute Indian Tribe's Business Committee.

The Housing and Community Development Division (HCD) within the Utah Department of Workforce Service (DWS) provides administrative and operational support to the UBRF. This is accomplished through an application, contracting and tracking system at HCD. HCD administers the application, contracting, financial processes and all day to day operations of the fund.

Eligible Applicants

The UBRF Board may authorize grants and/or loans to agencies of Duchesne County, Uintah County or the Ute Indian Tribe that are or may be socially or economically impacted, directly or indirectly, by development of oil and gas interests held in trust for the Ute Indian Tribe.

Formal applications for UBRF grants are submitted by the respective county commissions or the tribal Business Committee to HCD. HCD prepares the meeting agendas and arranges all meetings. The Board approves all applications and all decisions of the Board require four affirmative votes.

Eligible Projects

- Capital projects, including subsidized and low-income housing, and other one-time need projects and programs.
- Projects and programs associated with the geographic area where the oil and gas are produced.

Prohibited Activities

- Start-up or operational costs of private business ventures.
- General operating budgets of Duchesne County, Uintah County or the Ute Indian Tribe.

Funding Process

- The UBRF reviews applications and authorizes funding assistance on a periodic basis. Meetings are generally held quarterly. The majority of funded activities are for public facilities followed by utilities and housing.

Funding Guidelines

- Each year, generally at the August meeting, the UBRF allocates its annual revenue between the three eligible entities based on a statutory formula that allocates an equal amount to Duchesne and Uintah County and a higher amount to the Tribe. In 2012 the fund was statutorily capped at \$6,099,949.

Funding Update

The number of projects funded and the amount of money allocated from the fund hit an historic high in 2011 and then again in 2012. This is due not only to increase oil and gas production but also to a significant increase in effort by the Ute Tribe to allocate and spend the available funding. The board and staff have worked diligently over the past few years in conjunction with the Ute Business Committee to increase the allocation and expenditure of funds. It should be noted that the annual allocation exceeds annual revenue due to unallocated funds and funds that were unspent and then re-allocated to new projects from prior years revenues.

Table 1
Approved Projects FY10–12

	2010		2011		2012	
Project Category	#	UBRF \$	#	UBRF \$	#	UBRF \$
Planning	2	67,038	1	33,160	3	290,570
Housing	7	476,280	6	1,181,000	7	3,700,068
Public Facility	15	3,260,276	14	6,460,429	13	4,506,052
Public Safety	1	35,000	1	200,000	5	1,950,000
Recreation/Culture	5	1,640,000	9	4,347,964	7	2,142,680
Transportation	6	1,021,554	1	200,000	9	1,837,360
Utility	1	100,000	2	600,000	6	900,000
Totals	37	6,950,148	34	13,022,553	50	15,326,730

* Annual allocation exceeds annual revenue due to unallocated and re-allocated funds

Table 2
UBRF Board Members
(As of 11/1/12)

Member

John Harja, Chairman
Open as of Nov. 1, 12
Phillip Chimburas
Commissioner Michael McKee
Commissioner Kirk Wood

Representing

Governor's Office
Ute Indian Tribe Business Committee
Ute Indian Tribe Business Committee
Uintah County
Duchesne County

For more information, contact Keith Heaton at (801) 526-9461.